age groups. A third issue concerns how best to strengthen the resources of the most underprivileged and often less visible and least articulate subgroups among the ageing, including racial and ethnic minorities, migrants and refugees.

Key policy responses to these issues centre on training and educating older people, providing them with work opportunities and strengthening their participation in all facets of community life.

B. The promotion of education and training

Education is a prerequisite for the integration of the aged into modern society, as it is for other sectors of the population. In the occupational sphere, adult education, including functional literacy and training in new technologies, is needed to help older persons, especially the most disadvantaged, play an active economic role, either continuing to farm or acquiring the skills needed to generate other forms of income. Older people need to be taught ways of preventing unnecessary illnesses and how to avoid accidents so they can remain healthy enough to continue working. The population as a whole should be given a better understanding of ageing processes and made aware of the skills and abilities of older persons. Overall, education acts to decrease stereotypical notions existing between the older and younger generations and gives older people the resources to reduce their dependence. As a means for tapping the knowledge and skills of the ageing, education becomes a catalyst for their productive contributions to development.

C. The promotion of work roles

Continuing to work, within their capacities, permits older people to remain socially integrated. It also permits them to retain a sense of independence and contribute to their own support. The fact that even modest technical progress often reduces the need for physical strength in job performance brings many types of work within the abilities of older men and women. In some cases, consultative activities might suit the abilities of older persons and serve the needs of their communities. For instance, retired civil servants and teachers could continue in their past roles, with certain modifications, thereby mitigating the lack of skilled and experienced personnel, especially in the rural areas or inner cities of developed countries and throughout the developing countries.* For all occupational groups, it must be recognized that ageing persons, both as individuals and as a group, have a range of resources that needs to be explored, catalogued and put to effective use.

D. Strengthening the indirect economic contributions of the ageing

Another important way in which older persons contribute to economic development is by assuming domestic responsibilities, freeing younger persons for other work. This includes maintaining households by cooking, cleaning and fetching water. Also, in many rural areas of the developing world, children are entrusted to grandparents while their parents are working or if the

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*Good examples of such activities in China are provided in Hu, Wang and Zhang. 20/

parents emigrate to seek jobs and/or better pay. For such arrangements to work effectively and minimize stress on grandparents, parents and children, older persons sometimes need training in child care and home economics, given the rapid changes that often occur in attitudes, practices and institutions related to family care. If accompanied by policies that slowed the out-migration of the young from rural areas, such training would directly benefit rural development, as well as the extended family system.

E. The promotion of participation in community life

Central to the concept of social development is the participation of all sectors of the population in that development. This includes participation in decisions about societal goals and the allocation of resources, as well as decisions about implementing programmes to meet these goals. Popular participation has been described both as an end in itself, in so far as it strengthens feelings of solidarity and personal relevance, and as a means for improving the standard of living, increasing levels of productivity and attaining social equity.

There are many forms of popular participation, including local self-help development projects, mutual aid enterprises and self-managed social services. Social, cultural and religious associations, cooperatives, unions, workers' federations and voluntary organizations of every type are all instruments for popular participation.

Several reasons have been identified for popular participation in the development process, including the following: the enhancement of social communication between administrators and beneficiaries to ensure that the intended beneficiaries perceive the need for change; the utilization of local knowledge and experience to anticipate problems that may arise during the implementation of development projects; the mobilization of latent potential, such as underused human and physical resources; the active involvement of intended beneficiaries in planning for new technologies in order to encourage the necessary changes in perceptions and behaviour; the reversal of dependency by actively involving people in their own development; and, finally, the promotion of the equitable distribution of benefits accruing from development measures (E/CN.5/1983/7, paras. 40-56).

Because of the growing social isolation of the ageing in many settings and their often neglected potential for productive work, popular participation emerges as a key concept both in strengthening the social integration of this sector of the population and in promoting its active contribution to development. Associations that older persons can choose to join or to which they traditionally belong are vitally important in providing a sense of identity and a setting for social interaction. Assuring that meeting places are situated near the dwellings of older persons is one means of encouraging membership in community associations.

In the sphere of community development projects, each of the rationales given above for popular participation has special relevance to the aged, both as beneficiaries and as agents of development. For instance, because they are key beneficiaries of programmes to improve nutrition, health care, water supply, sanitation and environmental safety, their participation in planning and decision-making is crucial for ensuring that the programmes will meet their needs. Their input is needed to ensure that they understand and accept the

reasons for change and the accompanying behavioural adjustments. Seeking the input of the ageing at the planning stage also makes it possible to exploit their knowledge of the local environment and traditional eco-technologies and thus to shape projects in accordance with local resources and to anticipate local constraints to implementation. In addition, the ageing are potential deliverers of social services, where, with training, their experience and maturity can be combined with the tools of modern technology.

Popular participation is a central component of all policy responses to issues concerning the ageing of populations and socio-economic development. From an economic viewpoint, the continued participation of able older persons in the workforce has been identified as one means of reversing the burden of dependency and providing additional human resources for productive activities. From the viewpoint of social development, the participation of the ageing in decision-making and programme implementation is a clear prerequisite for ensuring that development goals are responsive to their needs, that the benefits of development are distributed equitably to them, that their experience and knowledge are taken into account in designing programmes and, finally, that their independence and sense of personal worth are strengthened.

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Part Three

SOME KEY AGEING ISSUES

INTRODUCTION

In recent years, there have been two distinct streams of discussion on ageing. One stream, predating the endorsement of the International Plan of Action on Aging by the General Assembly in its resolution 37/51 of 3 December 1982, focuses on ageing in the context of public expenditures, primarily for pensions and health care. The other, and more recent, stream of debate relates to a search for complementary or alternative ageing policies, with "help for self-help" emerging as a viable alternative. Help for self-help is especially important in securing acceptable standards of living for the elderly in developing countries and in countries in transition from central planning. It emerges as an increasingly attractive policy also in market-oriented and welfare state systems where government resources are under strain.

The non-governmental sector has pioneered much innovative work in the area of self-help. Governments throughout the world generally support such measures. Many, however, have expressed a need for more information and focused research to assist them in developing comprehensive and integrated ageing programmes and policies. One goal of the periodic reports of the United Nations on the world ageing situation is to respond to this need.

Basic to the development of ageing policies is an understanding of the rapid demographic changes taking place. As was discussed in part one, chapter II.B, the populations of many developing countries, although still young, have begun to age and are projected to become demographically older with unprecedented rapidity in the coming decades. In developing countries, however, large numbers of the elderly continue to participate in the economy, in such activities as food production, craft work, housework and the education of children and youth. For many, retirement has been synonymous with death. Today more than ever, older people in these countries must work for survival: their own survival and that of their families.

Despite this tradition of work and the dire need for many to work in these unstable times, the elderly have not been a priority in the mainstream development activities of recent decades. Advisors on ageing point to a general reluctance on the part of development planners and business managers to utilize the elderly. This is so for a number of reasons: (a) the elderly are not seen to represent a good investment in the future, (b) they are assumed to be not flexible enough in adopting new technologies and (c) most of them are out of the formal labour force in industrialized countries, which unwittingly influences the development process now taking place in non-industrialized countries. Much can and has been said to show that these opinions reflect, to a large extent, stereotypical notions of older people that are often far from the truth. Certainly there is a need to better understand the special problems and needs of the elderly (and of other age groups). In the process, however, the contributions older people can and do make to the general society must not be lost sight of.

The World Aging Situation: Strategies and Policies, published in 1985, was an attempt to address the myths and realities of ageing. 1/ Its primary goal was to systematically summarize the rich collection of information generated by the World Assembly on Aging, held at Vienna from 26 July to 6 August 1982. It also sought to synthesize much of the general knowledge, research and policy discusson on a broad range of demographic, developmental

and humanitarian topics related to ageing. However, although the report was comprehensive, it was often too general to guide specific policy-making initiatives.

In part three, the present report departs radically from the approach taken in 1985. Rather than being comprehensive, it focuses narrowly on a few key issues. The issues selected are ones that are of relevance to both developed and developing countries, but the emphasis is on assisting developing countries in their policy deliberations. In preparing this report, it was felt important to recognize two important realities: (a) most developing countries feel they must give ageing issues relatively low priority, and (b) little money and few human resources are available to address ageing issues in countries with severely limited means. Thus, the present report focuses on a few overriding issues that confront countries regardless of their internal priorities or the extent to which resources are available. The hope is that the discussions will encourage more countries to think about and explicitly address these issues. Unfortunately, all too often countries allow their treatment of or response to some important issues to evolve informally, frequently creating policies by either deliberately or unintentionally ignoring them.

Each of the eight issues addressed in this part is first discussed in general terms: it is described, research findings are cited, illustrative data (to the extent they exist) are provided and options or alternative ways of approaching the issue are presented. This general discussion is then followed by examples that describe how some countries have approached the issue in their policies and programmes.

The aim is to provide information and ideas that countries will find useful in addressing the goals articulated in the International Plan of Action on Aging. It is hoped that many countries will want to begin an extensive policy assessment process that will result in specific targets for future years. It is also hoped that they will be encouraged to carry out additional concrete actions in the area of ageing policy.

I. RESPONDING TO CHANGING WORK OPPORTUNITIES IN OLD AGE

All individuals, after a period of growing up and schooling, are expected to contribute to society. Paid work and family or community work become an important part of each person's life in the remaining years. In most societies, access to material goods, a major determinant of living standards, is directly related to remuneration/wealth systems associated with this work.

As people grow older, two very important changes occur with regard to work and remuneration. First, as workers move into their later years, increasing numbers of them find that their access to work, and hence their remuneration, becomes less secure. Between the ages of, say, 30 and 50, most people who want to work have jobs, and many have a high measure of job security. Among older workers, however, there is a significant amount of labour turnover, and once unemployed, a very high proportion of these workers face re-employment problems. In addition, a wide array of other problems can arise as a worker becomes older: (a) physiological decline, (b) the increased incidence of illness and disability, (c) skill obsolescence, (d) age discrimination, (e) reduced functioning resulting from the cumulative impact of workplace and environmental hazards and (f) constraints on geographical mobility.

The second change that occurs as people grow older is a decreased societal expectation that they should in fact work. The attitudes, norms, regulations and laws surrounding this matter vary widely from country to country and have changed dramatically in many countries over time. But at some point in the latter part of the life cycle, individuals may be given a choice between continuing to work at their traditional jobs and retiring. For many, however, the decision to retire involves little individual choice. Instead it is virtually mandatory, being determined by a variety of factors largely or entirely beyond individual control. Such things as government policies and laws, historical work practices, employment opportunities, employer policies and the state of the person's health often dominate.

A. Declining participation

Labour force participation rates for older men have been declining around the world, especially in industrialized countries.* Trends for older women are mixed; one generally finds increases in female participation at ages 60-64 and small declines after age 64. 2/

Initially the main stimulus for lower participation rates in developed countries arose from the economic growth associated with industrialization. Economic growth permits not only rising living standards in terms of goods and services but also opportunities for more leisure. The great appeal of leisure to many people is one important reason why formal retirement has come to be a widely accepted practice in countries all over the world. Public and private pensions are, in part, an institutional response to the growing interest in increasing the length of time during which older people do not have to work.

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*As was discussed in part one, chapter III.C, the economic activity of the aged includes much more than participation in the formal labour force, which is what is being discussed here. Work in the home, the giving of care and community work are also important.

Pensions allow people to make major shifts in their use of time while assuring a source of income to meet daily consumption needs. Thus, social insurance and employer-sponsored pension programmes, liberalized over past decades, have given many older workers a meaningful alternative to staying on the job.

However, another part of the explanation for declining participation rates, especially in developed countries, relates to the chronic problem of unemployment. Because periodic recessions and depressions have been an important determinant of personnel and pension policies, they are a key factor in understanding most older worker employment policies and the dramatic institutional changes affecting work incentives that have been taking place. For example, in many countries both public and private pensions have been deliberately and systematically designed to encourage increasingly early retirement among older workers. 3/, 4/

While the rates of economic activity in most developing countries decline with age, they rarely reach the low levels seen in industrialized countries. Since the majority of the labour force in developing countries live in rural areas and are not eligible for pensions, there is neither the opportunity nor the retirement incentive to move workers out of the labour force. The lack of income options, in fact, forces many to continue working as long as possible. International Labour Organisation (ILO) data for 95 developing countries indicate that, except in 7 countries, at least 80 per cent of men aged 55-59 are working. At ages 60-64, the percentages are 60 per cent or more for all but 6 countries. And in contrast to participation rates that rarely exceed 20 per cent for men aged 65 and over in industrialized countries, 66 per cent of the 95 developing countries had male participation rates of 50 per cent or more, and 87 per cent had participation rates over 30 per cent.*

B. Encouraging the employment option

There now exist in many countries around the world a variety of mechanisms and programmes to deal with the special vulnerability of older workers and to give workers meaningful choices between, on the one hand, work (and its remuneration) and, on the other hand, increased leisure during the period that has become known as retirement. A number of these mechanisms are discussed in the sections that follow. Since it would be inappropriate to think only of the traditional age groupings of 60 and over or 65 and over when talking about older worker problems, the discussions refer also to workers below age 60 but above middle age.

During most of the twentieth century, Governments, employers and unions in most developed countries have promoted retirement as a macroeconomic device for dealing with problems of slow growth and unemployment. Despite this past societal emphasis on retirement, it is still important for many reasons to address the employment promotion issues related to older workers. From the standpoint of an individual older worker, continued employment may be necessary to improve an unsatisfactory economic situation. For other individuals, work provides a psychologically important source of satisfaction;

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*Percentages are calculated from data in Clark and Anker. 5/ A discussion of problems related to collecting labour force participation data, especially in developing countries, is found in Anker, Khan and Gupta. 6/

it serves as a mechanism for self-fulfilment and for maintaining status within the society. For employers, older workers are a potential source of scarce skills and experience in dealing with difficult problems and can serve as trainers of younger workers.

For a country as a whole, older workers are a potential resource for increasing output by enlarging the workforce. Indeed, policy makers have become aware of the close relationship between maximum utilization of a country's labour force potential and its economic growth rate. After the Second World War, this relationship was more likely to have been defined solely as requiring the achievement and maintenance of a full level of economic activity by means of monetary and fiscal policy. However, the elimination of labour market dislocations that interfere with and negate the development and utilization of human resources is now recognized as an increasingly important economic policy goal. There is growing recognition that a strong policy bias in favour of retirement among older workers may seriously complicate economic planning in future years. A statement by the Economic Commission for Europe calls attention to the possible danger of such a bias in developed countries:

> "The present high potential flow of older workers from the labor force, further reinforced by declining participation rates, will be the source of serious pressures on national economies through its impact on national pension systems. This strain, however, may be due less to demographic trends than to the use and acceptance of pension systems as a mechanism to narrow the gap between the supply and the demand for labour, a function for which they had never been planned or intended. Early retirement has come to be considered an acquired right by workers who have been told that their pension contributions will entitle them to retire before the mandatory age. This being the case it will prove difficult to eliminate early retirement or raise the retirement age." 7/

C. Mechanisms for assisting older workers

Countries have used four major mechanisms to assist older workers: (a) skill/job training, (b) job redesign and job creation assistance programmes, (c) the introduction of more flexible work schedules and (d) improving job search information and procedures.

1. Skill/job training

A recent study by ILO 8/ reports on efforts and practices to retrain older workers in 12 industrialized countries.* As reported in Nusberg, 9/ the ILO study indicates that "... good recommendations continue to outpace good practice ... Despite the proven track record of older workers and accumulating evidence that age is not a handicap to continued learning, employers remain reluctant to invest resources in their training and retraining".

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*The collaborating countries were Belgium, Canada, Denmark, France, the Federal Republic of Germany, Japan, the Netherlands, Sweden, Switzerland, the United Kingdom, the United States and the Union of Soviet Socialist Republics.

This general unwillingness to train older workers relates to the general image many employers have of older workers. It is not a very pretty picture: one of less education, slower learning capacity, less flexibility in adapting to new technologies, being geographically immobile, having a negative self-image and being reluctant to participate in training. This continuing prejudicial stereotyping of older workers, together with the need to scale down and restructure business in an era of slow growth, causes early retirement to be favoured over retraining. Even if growth rates improved significantly, human resource specialists point out that older workers are at a disadvantage because they are typically at the high end of the wage compensation scale at a time when they have only a short remaining work life.

However, there are many counter-arguments that favour the employment of older workers. Apart from the practical needs of the individuals themselves and the aims of business and Government, as enumerated above, there is the more fundamental fact that the prevailing generalizations about the nature and potential of older workers grossly misinform. Studies of age and performance, which are summarized in Robinson, Coberly and Paul, 10/ indicate that variations among members of a given age group are far greater than the average variations between different age groups. And there is evidence that large numbers of older workers have, in relation to younger workers, equal or even greater capacities for being trained. Further, research shows that these training capacities can be significantly increased by using methods tailored to older workers and by developing some training programmes solely for them.

There is abundant evidence that people can continue to learn at any age. For example, a programme that has been under way for eight years at Montevideo, Uruguay, trains mid-life and older women to become paid care givers. These care givers help frail, homebound older people, making it possible for many of the older people to remain at home rather than to be institutionalized. Many women trained for this role were previously unemployed and now provide much-needed community-based care for the elderly. 11/

Intellectual capacity, broadly understood, does not necessarily decline with age. Thus, Plette concludes that old age is no handicap to learning. 8/ Fortunately, negative views of older workers are changing. As Charlotte Nusberg points out:

> "There is evidence of new attitudes. There is at least the beginnings of a consensus among governmental, trade unions and employer groups in several countries on the need to look at older persons as an important labor market resource. Demographic trends, skill shortages, projected pension and health care costs, and the continued productive behavior of many older persons themselves in paid and volunteer roles are all factors influencing the new thinking." 12/

2. Job adaptation and job creation

Another option appropriate to particular situations is to adapt or redesign jobs to better match the changed capacities of certain older workers. In some cases, productivity can be maintained, even increased, by changing the content of a job or the conditions under which it is performed. Where job adaptation is not possible, policies that explicitly promote job transfers are an alternative. One type of job transfer is changes in the hours of shift work. Companies with production lines that operate beyond normal working

hours often reschedule older workers to daytime hours when there are health problems or other extenuating circumstances. In France, for example, an industry-wide collective agreement for the chemical industry stipulates that shift workers who have reached the age of 55 must be given priority in the allocation of daytime jobs. 13/ In Angola, a 1982 legislative decree allows workers aged 55 and over to change to day work if their health warrants such a change. In Yugoslavia, night work is prohibited for workers over the age of 44 and disabled workers. For some workers, such actions can often avert forced retirement and allow them a meaningful choice between continuing to work and stopping.

Another approach is for the Government or community organizations to create jobs appropriate for those older workers (and others, such as the disabled) who find it particularly difficult to gain employment. In some cases, the job creation is direct: the Government may, for example, hire the workers as part of a public works programme. In other cases, the Government may make payments to private employers to subsidize and encourage the creation of jobs for older workers.

3. Flexible work schedules

There is a tendency to view employment as an all-or-nothing proposition. While there are many part-time and seasonal jobs, full-time, full-year jobs typically dominate the employment market, especially in industrialized countries. However, the expansion of part-time opportunities is widely condemned by many people as a threat to full-time jobs, as a precarious form of employment and as a source of unequal treatment of women workers.*

One result of this hostility is that in most countries there are very few options for older workers who want reduced employment because of health problems or the desire for more leisure. Many options are theoretically possible, but in reality few are available on any large scale. For example, overtime obligations can be reduced or eliminated, duties can be rotated so that arduous and lighter tasks alternate throughout the working day, more frequent breaks can be provided, annual leave can be increased, full-time jobs can be split into part-time jobs etc. Given the general lack of such options when older workers are employed in wage or salary jobs, many turn to self-employment in the later years.

4. Job search

It is important that countries develop special placement and career counselling services for older workers. Because of the attitudes and special problems associated with the hiring of older workers, the people who provide these services should, ideally, be experienced in locating paid or voluntary jobs for older people and, conversely, in finding older people to fill the jobs. Currently, however, there is little sense of purpose in the counselling and placement of older people, and existing efforts often are limited in scope, poorly supported, isolated from counselling and placement activities for other age groups or out of touch with the educational and other institutions that could prepare people of all ages for further careers.

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*Part-time work throughout the industrialized world is discussed extensively by the ILO. 14/

As Sheppard observes in his overview of work and retirement issues:

> "While general employer demand, previous skill level, education, and behavioral and social psychological factors are critical in explaining the fate of unemployed older workers, other forces are also operating. Especially important are the practices, policies, and beliefs regarding the use of, and capabilities of, older workers that prevail among employment service agencies and among employers and their representatives ... Employment agency personnel can affect the chances of job-finding success among older persons. Sheppard and Belitsky found that the older the jobseeker [in the United States], the fewer number of services (e.g., being tested or counselled, referred to retraining programs or to employers for a job interview), on the average were received from the [government] Employment Service." 15/

5. Choosing the appropriate policies

It can thus be seen that a wide range of policies and programmes affects the employability and labour force participation of older workers. The effects are either positive or negative, depending on the activity. Ideally, a country should develop human resource policies that give older workers meaningful choices regarding labour force participation and retirement, while actively promoting the requirements of full employment and future economic growth. Completely discounting the potential economic contributions of older workers is inappropriate. Rather, more attention needs to be paid to how countries have facilitated the employment of older workers and what policies should be promoted for the future.

D. Country examples

1. Japan: assisting older workers

In Japan, approaches and policies towards workers change sharply when they reach age 65. The Government assumes major responsibility for promoting regular employment opportunities up to that age. After that age, however, employees may be terminated. Moreover, since compliance with government policies seeking to raise the minimum mandatory retirement age to 65 is voluntary, many firms terminate employees who are younger.

In recent years, the basic policy of the Government of Japan has been (a) to complete the abolition of employer practices that retire older workers before age 60, (b) to encourage employers to do even better, retaining workers up to age 65, (c) to promote the re-employment of terminated workers aged 45-64 in second jobs of various kinds and (d) to facilitate part-time employment opportunities outside the regular work force for workers aged 65 and over by means of a network of organizations called Silver Manpower centres.

The programmes that promote the employment of older workers under age 65 include subsidy programmes that (a) pay employers who rehire, usually in new jobs, workers after retirement or pay for their employment with other companies, (b) pay new employers who hire older workers, especially through public employment offices, and (c) pay employers severely affected by economic downturns or to companies in troubled industries or regions. Also available are loans and grants for job redesign and for the establishment of older worker

companies. These older worker companies are a uniquely Japanese approach to promoting job opportunities for older workers. Although the most important goal, and hence the focus, of these companies is the employment of retired workers, they usually employ more younger than older workers. They do this because they need the mix of skills and knowledge that will allow them to operate effectively and, hopefully, profitably in competitive markets. Many larger companies have set up older worker companies as special subsidiaries.

Under the Occupational Skill/Ability Development Act, the Government sponsors retraining centres that offer short or long (6 month) courses. In 1987-1988, approximately 45,000 workers aged 45 or over were enrolled in national or municipal centres. Of those enrolled, about 50 per cent were able to obtain employment almost immediately upon completing training. 16/

The main programme for workers over age 64 is much different. Starting in 1975, Silver Manpower centres were gradually established in most large cities of Japan. The goals of these centres include the following: helping to promote a wholesome, meaningful life and providing supplemental economic support to elderly members through self-organized and shared work activities; utilization, by the community, of the capabilities and the rich experience of elderly members to the fullest extent possible; and encouraging the contributions of older people to the local community through their active participation in various aspects of communal life.

The Silver Manpower centres receive requests or orders from both public and private parties, including families. They enter into contracts with those requesting the services of the centre's older members, acting as a broker between the two parties. By law, the work undertaken is not to be of a permanent or regular nature. The types of activities undertaken include craftwork, office work, watchman's work, errand and delivery work, light manual labour and the provision of a variety of services. Examples include cleaning public parks, supervising bicycle stands near railway stations, part-time office work, gardening, copying documents, bookkeeping assistance, home repair work, restoration of the sliding paper partitions that are a feature in most Japanese homes, and babysitting.

While the participants in these centres represent only about 2 per cent of all those aged 60 and over, the centres are very popular with those who participate and are seen as successfully achieving the stated programme aims for increasingly large numbers of Japanese older people. A major success of the Silver Manpower centres programme is its capacity for organizing odd, casual, temporary and part-time jobs in the community, tasks that are not likely to be performed by the regular Japanese labour market. The programme does this while responding to the desire of many older workers to find work that allows flexibility or that is done in a less demanding environment than the typical Japanese workplace. For additional information on the Japanese employment programmes summarized here, see Schulz, Takada and Hoshino. 17/

2. Canada: training credits 18/

The provincial government of Ontario, Canada, has introduced an older workers programme, Transitions, to (a) encourage laid-off workers 45 years of age and older to consider and investigate appropriate training and retraining as a means of facilitating their re-employment, and (b) provide financial incentives to these workers so they can take advantage of training and retraining opportunities. The Transitions programme provides each participant

$Can 5,000 in training credits, valid over two years, that can be used in two ways. They may be used to cover the costs of training incurred by any employer in Ontario who hires a programme participant and provides him or her with employment-related training according to a plan endorsed by both the employer and employee and approved by the Ministry of Skills Development. Or, they may be used to pay the tuition and compulsory fees for any employment-related course or programme offered by any public education or training institution or any private institution to which the participant is admitted if it is recognized by the Ontario Student Assistance Program in Ontario.

The credits may not normally be used for training in institutions outside Ontario unless it can be demonstrated that comparable training is unavailable in Ontario. They cannot be used for personal enrichment courses, training that provides skills unrelated to employment, training for voluntary work, employment preparation and job search courses, life skills training or counselling. Nor can they be used for the income maintenance or wages of participants. The credits may, however, be used for training from more than one training agent until their total value has been used or the eligibility period has expired.

The programme is designed to assist self-motivated, self-directed older workers. Recognizing the diversity of the educational, training, employment and personal backgrounds of older workers, the programme puts the choice of training in the hands of the participants so that they can determine the training most appropriate to their individual circumstances. It makes participants responsible for locating and initiating training. The two-year period was selected to give participants the flexibility and time to assess or develop options and undertake training leading to a new career.

To be eligible for the programme, an individual must:

(a) Be 45 years of age or older;

(b) Have experienced, within six months before application to the programme, termination of permanent employment resulting from an employer going out of business, closing or moving; termination of employment due to a shortage of work; or the failure of a self-operated business;

(c) Have not, at the date of application, found comparable, permanent employment;

(d) Be seeking to update existing skills or obtain new or replacement skills;

(e) Be a resident of and entitled to work in the Province of Ontario.

Application forms are available at Canada employment centres, community help centres, the Employment Adjustment Branch of the Ministry of Labour and a variety of other organizations. The applicant completes the form, which requests basic information and the signature of the applicant and a witness. The form is forwarded to the Ministry of Skills Development, where it is reviewed by programme staff. An approved applicant is notified of acceptance into the programme and is provided with a card that identifies him or her to training employers and institutions as a holder of the Transitions credits. If the participant elects to use the credits to arrange training with an

employer, a brief training plan is completed and endorsed by both the employer and participant. The plan is then submitted to the Ministry, which reviews it to ascertain eligible costs and the value of the credits remaining to the participant. If the participant elects to use the credits to arrange training with a training institution, a training proposal form is submitted to the institution before enrolment.

3. Ecuador: creating work for the aged 19/, 20/

Many older persons in developing countries want and need to work. However, there is often a need to adapt old jobs or create new ones that are more consistent with the older person's changing capacities and interests. Often, too, there are conflicting priorities. The frailest and most needy elderly are often those least able to be retrained to fit the jobs available. If profit is the main motive, then it is the most skilled and active worker who will produce it, and older workers are likely to be ignored. Thus, one of the most difficult tasks for leaders trying to help the elderly worker is to identify work opportunities within the local culture and economy that are acceptable to the elderly worker and that offer reasonable prospects for producing income.

Pilot projects sponsored by the United Nations Trust Fund for Aging and HelpAge International demonstrate that such jobs can be created, even in remote areas of the world. For example, in Vilcamba Ecuador, representatives of HelpAge International noticed that there was no bakery within 40 kilometres of the village and helped set up an old people's bakery. The ovens for this enterprise were of simple construction and utilized firewood but were able to produce baked goods that were valued by the general community.

Once the bakery was established, a tailoring workroom was set up for women who were interested in sewing and had talent for it. Then a plot of land was set aside where the elderly men could cultivate medicinal herbs whose uses were rapidly being forgotten in Ecuador. All three enterprises produced jobs and needed income for older people.

4. Colombia: a recycling programme run by older workers 21/

In the city of Pereira, Colombia, the Pro Vida organization has assisted older workers in organizing and operating the city's first recycling programme. Bins for collecting glass and waste paper were placed in 40 locations around the city. The full bins are taken to a sorting centre operated by the older workers. After sorting, the various materials are sold. While the manual grading and sorting of large amounts of waste is often physically difficult, the jobs are still very popular among the older people who participate. They are pleased to be doing something useful for society and for the environment. They also enjoy working with other older people.

The programme thus far has been economically successful. From the income of the programme, the workers receive a small salary. The rest of the profits are used to help finance the various other programmes and services provided to older people by the Pro Vida organization in Pereira.

II. INCOME SECURITY: DETERMINING THE APPROPRIATE MIX OF PROGRAMMES

Economic support in old age can be achieved in a variety of ways. Down through the centuries income to buy food and to meet other consumption needs has been derived from the work activities of individuals young and old. However, with old age comes a growing threat to this source of income; work options are foreclosed as a result of illness or injury, skill obsolescence, age discrimination, unemployment or other disruptions. In the face of these threats, individuals as they grow old have relied, to a greater or lesser degree, on alternative mechanisms, including personal savings, family support, mutual benefit societies, public and private social assistance, social insurance, occupational pensions and provident funds. These mechanisms not only respond to the threats of lost capacity for work, they also create the opportunity, especially in industrialized countries, for individuals to enjoy more leisure in their later years, that is, voluntary retirement.

Personal savings or economic support from children have long been the most common ways that individuals have dealt with the reality of forced or voluntary retirement. In developing countries today, these two mechanisms remain the predominant source of economic support in old age. Table 6 shows the extent to which older people rely on these two sources of support in four western Pacific countries. In each country, family support was the main economic support for the highest proportion (between 40 and 67 per cent) of people.

Table 6. Main source of income for the elderly in four western Pacific countries a/
(Percentage)

Country	Work	Family	Pensions b/	Other sources c/
Fiji	11	40	12	37
Malaysia	19	62	14	5
Philippines	22	54	13	11
Republic of Korea	19	67	6	8

Source: Based on data in G. R. Andrews and others, Aging in the Western Pacific (Manila, World Health Organization, Regional Office for the Western Pacific, 1986), table 53.

a/ In 1984-1985, men and women aged 60 and over were asked, "What is your main source of income?"

b/ Includes superannuation and welfare payments.

c/ Includes money from friends and unspecified sources.

Individuals attempting to provide for old age through personal savings find themselves involved in a complex set of decision-making and financial manipulation, with typically little information and a great deal of uncertainty

regarding key life events. 22/ The result is that "inadequate saving and insuring can arise from myopia, misinformation, miscalculation, and simple laziness". 23/

The greatest problem with the sharing of risk by the family and various other groups is that the number of people involved is often relatively small. As Kenneth Boulding has observed, "It is when the 'sharing group' becomes too small to ensure that there will always be enough producers in it to support the unproductive that devices for insurance become necessary. When the 'sharing group' is small, there is always a danger that sheer accident will bring the proportion of earners to non-earners to a level at which the group cannot function." 24/

Responding to these problems, societies have developed a rich array of cultural traditions, interpersonal mechanisms and collective programmes. The collective programmes include social assistance, mutual benefit societies, social services, employer-liability programmes, occupational pension programmes, savings incentive programmes, provident funds, social allowances and social insurance. For the distinctions between these programmes, see the summary discussion in Schulz and Myles 25/ or the more detailed discussion in Dixon. 26/

A. Social insurance

Of the nine types of programmes listed above, social insurance is clearly the most important source of income for the elderly in most industrialized countries and has also become a very important mechanism in many developing countries. Social insurance programmes are funded by various combinations of (a) wage-based taxes on employers and/or workers and (b) general government revenues. The benefits, subject to a variety of eligibility conditions, are paid periodically to older people; in the case of retirement benefits, they are usually paid until death. ILO provides a general discussion of the basic concepts and provisions of social insurance programmes around the world. 27/ The United States Social Security Administration provides a summary description of programmes in various countries. 28/

In recent years existing social insurance systems have been a subject of increasing concern in policy discussions. Slow economic growth and worldwide inflation, together with demographic ageing in some countries, have increased the perceived financial burden, both current and future, arising from these programmes (see part two). Concerns have also been raised regarding (a) the impact of social insurance programmes on savings and labour force participation, (b) problems in developing countries with regard to pension financing and the large blocks of people in the labour force who are still not covered* and (c) more generally, the possibility of intergenerational conflict arising out of the financial and equity debates occurring in various countries.

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*C. Mesa-Lago, for example, surveys the situation in Latin America and links the financial problems of many social insurance programmes to low levels of contribution, high rates of payment evasion, huge state debts, poor investment of the programme reserves, adverse demographics and "excessively generous entitlement conditions". 29/

Finally, with regard to economic development, there is an important debate over the relationship between social insurance and demographic changes. Developing countries today better understand how development in both urban and rural areas is accompanied by reductions in family size and in the effectiveness of social and economic support provided by family members. Countries with population planning programmes must consider the need for government income security mechanisms to replace traditional family supports made less viable by rapid demographic change (smaller families, greater geographic separation of family members etc.). There is currently no consensus among development experts on these questions. Excellent summaries of the wide-ranging, but inconclusive, research and debate on this question are contained in Holden 30/ and Nugent and Anker. 31/

B. Optimizing the mix of social insurance programmes

It would be incorrect to characterize the recent criticisms of and debates about social insurance as primarily discussions of whether these programmes should be abolished and what to put in their place.* The main debate in almost all countries is about the importance of social insurance as an income maintenance mechanism, relative to the other options. In Europe this discussion is taking on a special dimension as the countries of the European Communities (EC) seek to agree on ways to coordinate their different social security programmes. 33/ In those developing countries still without any operational, collective programme at the national level, the debate is not on what to abolish or coordinate but on what type of programme(s) to set up.

The main income maintenance programmes that operate along with and complementary to social insurance in most countries are occupational pensions, savings incentive programmes and social assistance. Much of the current debate is over whether to shrink the role of social insurance and expand one or more of the other programmes.

C. Pensions, savings and social assistance

Occupational pensions entail periodic or lump-sum payments by employers or unions who take principal responsibility for administering a collective plan for a specific group of employees. Payments are conditional on a specified employment record and a variety of other factors, such as age or disability. In some countries, for example, Canada, the Netherlands, Switzerland and the United States, occupational pensions constitute a major source of retirement income. In others, for example Australia and Japan, income from these plans is small but growing rapidly.

Occupational pensions have come under frequent criticism with regard to a variety of issues, including the following:

(a) The need to extend coverage and eligibility beyond current levels, coverage often being predominately for high earning workers in the more prosperous industries;

(b) The reduction of the (currently not insignificant) risk of default on promised pension benefits;

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*Calls for abolition, however, are found in Ferrara. 32/

(c) The efficient and equitable "integration" of occupational pension structures with social insurance programmes;

(d) Problems of promoting appropriate labour mobility and work incentives arising out of pension vesting and retirement/disability provisions;

(e) The structuring of pension plans so that they treat women as fairly as men.

More detailed discussions of these issues can be found in the International Social Security Association, 34/ the Employee Benefit Research Institute, 35/ Hannah, 36/ Schulz and Leavitt 37/ and Clark and McDermed. 38/

Unlike occupational pensions, savings incentive programmes emphasize personal initiative through personal saving. Various types of arrangement seek to encourage individuals to put money in special accounts to be used only for various specified contingencies, a major one being retirement. Special tax provisions and employer contributions that supplement the regular contributions of employees are the main mechanisms. In most cases, the accumulation in these special accounts cannot be withdrawn, without substantial penalties, until a person reaches a specified age. A compulsory form of savings plan, called a provident fund, exists in a number of developing countries.* Again, employers and workers make regular contributions into special worker accounts, which are administered or supervised by government agencies. The payments are usually lump sum and are paid out (a) before retirement to meet special designated needs such as major illness or buying a home, (b) at retirement or (c) upon the death of the worker.

Voluntary savings incentive programmes are criticized as being utilized disproportionately by higher income individuals. Moreover, both voluntary and compulsory programmes usually place the risk of inflation primarily on the individual, with often few options for minimizing such risk by management of the investment portfolio. Dixon concludes that:

> "[The capacity of provident funds] to provide adequate social security protection is generally constrained: (a) by the relatively low level of their individual members' deposits, (b) by their inability to ensure that lump sum payments [often allowed by plan rules] are used to provide long-term social security protection, and (c) by their inability to provide their members with a hedge against inflation ... None, however, has found the solution to the fundamental dilemma that makes them ineffective social security institutions - namely, how to provide adequate social security protection on the basis of compulsory savings." 42/

An entirely different approach to better income provision in old age is social assistance programmes, a global overview of which is contained in

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*For example, Fiji, Gambia, Ghana, India, Indonesia, Kenya, Kiribati, Malaysia, Nepal, Nigeria, Papua New Guinea, United Republic of Tanzania, Singapore, Solomon Islands, Sri Lanka, Swaziland, Vanuatu, Uganda, Western Samoa and Zambia. For a detailed discussion of provident funds, see Dixon 39/, 40/ and Yee. 41/

Midgley. 43/ It has been argued that this approach, in contrast to universal benefit programmes like social insurance, reduces the costs of public income provision for old age while better targeting such income to those most in need. Social assistance programmes provide cash benefits to individuals who meet specific eligibility criteria associated with defined categories of need. Means tests are typically applied to the income and assets of individuals as one major condition of eligibility.*

While both social insurance and social assistance programmes operate in almost all industrialized countries, there has been a very clear shift away from means-tested benefits in most of those countries. The historical, political and economic aspects of this shift are discussed in Myles. 45/ In part the shift was the result of the broad political support generated by universal programmes and the desire in many countries to promote social cohesion and national solidarity. However, an equally important set of reasons arises out of the hostility to early, and current, social assistance programmes in various countries. These reasons include the high cost of administration, the stigma related to receiving means-tested benefits and the abuse of power by those determining eligibility. Such problems, and others, have resulted in strong negative reactions to this approach as the principal approach to dealing with income maintenance issues. Hostility has been heightened by both the resulting disincentives to programme participation and the incentives for cheating that typically arise. Finally, many analysts point to the potential for such programmes to decrease work and saving incentives. 46/ Despite these drawbacks, social assistance programmes exist in most countries, usually as programmes of last resort to help people when other alternatives fail.

D. Developing an appropriate income maintenance policy

In the years to come, increasing numbers of individuals will reach old age either unable to work or with an expectation of increased leisure, promised by the retirement policies and practices in various countries. When work stops, where will the income support in old age come from?

National income maintenance policies for the elderly can never be static. Each nation is confronted with an evolving demographic structure, fluctuations in economic growth and pressures arising out of other macro-economic developments, especially unemployment and inflation. These changing factors all affect the appropriateness of a given mix of policies and programmes, together with the knowledge gained from the historical experience in operating particular programmes. Thus, it can be expected that countries will (a) reassess the options, (b) shift their approaches and the particular mix of mechanisms and (c) change the provisions of particular operational programmes.

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*The International Labour Office defines social assistance as "a service or scheme which provides benefits to persons of small means as a right in amounts sufficient to meet minimum standards of need and financed from taxation". 44/

E. Country examples

1. Gabon: social protection 47/, 48/, 49/

Gabon first legislated social insurance in 1963. The main components of the present system were instituted in 1975 and include old-age, survivor, orphan and invalidity pensions and a programme of medical benefits. Except for the Social Guarantee programme discussed below, which includes government financing, the system is financed by payments from employed persons and employers.

Old-age pensions are payable at age 55, or at age 50 if the person is "prematurely aged". Survivor pensions are paid if the deceased spouse had 120 months of recorded contributions or was already a pensioner. Invalidity pensions are paid if the person has been covered for five years, with 30 months contribution during the five years, and if the person has lost two thirds of his or her earning capacity.

As in most developing countries, social insurance coverage in Gabon had been restricted for many years to wage-earners, with government employees covered by a special scheme. Together these two coverage groups constituted, in 1981, about "one-third of the economically active population directly involved in the modern sectors". 50/

In the early 1980s the Government decided to extend social security protection to the self-employed, state workers under contract and the indigent The Government was encouraged to take this action for a number of reasons. First, it wanted to slow the flow of people out of agriculture, which had increased the need for food imports, and thought this measure would help. Secondly, the success and popularity of the existing social insurance scheme and its administrative infrastructure was supportive of expansion. Thirdly, there was a desire to provide better assistance to the most disadvantaged people in Gabon and also to rationalize access to health benefits. Finally, Gabon's economic situation, especially its public finances, was good in the early 1980s, making reform economically more feasible.

In 1983, therefore, Gabon created a Social Guarantee programme to supplement and complement the existing social security programmes. Under the new programme, contract public servants and self-employed persons could qualify for benefits comparable to those of wage-earners. Indigent persons, i.e. those with incomes below the guaranteed minimum wage for all trades, were made eligible for health care and family/maternity benefits, but not pensions. "There were two reasons for not including the indigent [in the pension programmes]: first of all financial, since the destitute cannot contribute to the cost of the benefits, and they form the numerically largest group; secondly, and perhaps mainly, the need to make the benefits act as an incentive for categories belonging to the modern sector of the economy." 51/ Elderly persons, i.e. those aged 55 and over, are by far the most numerous category among adult destitute persons. Table 7 shows the range of benefits for these three groups and how they are financed.

To administer the new programmes, Gabon created a new public agency, the National Social Guarantee Fund (CNGS). Because the people covered by the programme are so widely dispersed, regional branches of the CNGS have been set up. In addition, social insurance cards are issued to each person registered

Table 7. Gabon's social guarantee scheme and its financing

Benefits	Social category: Non-established public servants	Self-employed workers	Indigent persons a/
Employment injury benefit	Financed by grant from State budget	Financed by insured persons' contributions (from 40,000 to 120,000 CFA francs per year according to category) for both employment injury coverage and pensions	-
Old-age, invalidity and survivor pensions	Pensions and lump-sum payment on death. Financed by contributions: employee, 2% of salary; state employer, 5% of salary	See above	-
Health care	Financed out of State budget and part payment by insured person for treatment abroad and hospitalization	Financed out of State budget and part payment by insured person for treatment abroad and hospitalization	Financed out of State budget
Family and maternity benefits b/	Prenatal allowance Confinement expenses Birth grant Family allowances Return-to-school allowance Single-wage allowance Financed out of State budget	Prenatal allowance Confinement expenses Birth grant Family allowances Return-to-school allowance - Financed out of State budget	- Confinement expenses Birth grant (in kind) Family allowances Return-to-school allowance - Financed out of State budget

Source: J. V. Gruat, "The extension of social protection in the Gabonese Republic", International Labour Review, vol. 123, July-August 1984, pp. 457-471.

a/ A hyphen denotes "not applicable".

b/ The rates applicable to the first two social categories are the same as those for wage-earners. They are lower for indigent persons.

in a rural area by the CNGS staff. Benefits are paid on the basis of computerized lists of names; the lists are updated on the basis of information gathered by the branches.

In assessing the new social guarantee part of Gabon's social security programme, Gruat comments:

> "The establishment of the Social Guarantee Scheme is a reflection of the country's particular circumstances and could hardly be exported to countries which have not attained the same level of economic and social development. It presents nevertheless a universal practical interest if only because it proves that it is possible for a developing country to establish with its own financial, technical, and human resources a coherent system of social protection integrated in an original way into the overall process of promoting the country's progress to which it can and must contribute. It is for this reason that the Gabonese experience merits being given the widest possible publicity." 52/

2. Zambia: the National Provident Fund

The Zambia National Provident Fund was established in 1966 and is administered by a tripartite board drawn from the Government and associations of employers and employees. The board is responsible to the Minister of Labour, Social Development and Culture.

The scheme covers almost all regularly employed persons in the country. However, certain categories of worker are exempted. These include senior civil servants contributing to the Civil Service Pension Scheme, members of the defence forces and senior local officials. Also excluded are casual workers, the self-employed and workers in cooperatives. Affiliation is voluntary for domestic servants in rural areas and others excluded from compulsory coverage. As of 31 March 1989, the total accumulated membership of the Fund stood at 1.2 million, of which 600,000 were actively employed. The number of registered employers is approximately 12,000.

The National Provident Fund provides the following benefits:

(a) Old age: when an employee attains the age of 55 (50 if he or she was a member before 1 April 1973);

(b) Retirement: when the employee attains the age of 50 years (45 if he was a member before 1 April 1973) and decides to retire from regular employment;

(c) Survivor: when the employee dies;

(d) Disability: when the employee becomes unemployable through mental or physical disability;

(e) Home owning: when the employee wishes to use part of his credits in the Fund to establish a home of his own;

(f) Maternity: when female members of the Fund have at least 24 contribution credits. A maternity grant from the Fund is provided for six months after the birth of a child or a still birth;

(g) Funeral grant: the person responsible for the burial of a member of the Fund may be eligible.

It also provides for a supplementary saving benefit to those members whose employers choose to make monthly contributions to the Fund over and above the statutory contributions.

The Zambia National Provident Fund is financed by receipts at the rate of 10 per cent of the members' wages, shared between the employers and the employees on an equal basis.* Contributions are normally paid directly to the Fund's head office, but once the Fund's operations were decentralized in 1983, employers were encouraged to remit contributions to the district offices that are located in various parts of the country.

Problems arise in the collection of contributions, including improperly filed returns and the failure of some employers to make payments. Unidentified contributions often end up in a "suspense account". A penalty for failure to remit contributions helps to reduce the incidence of this. Enforcement was provided for in the original legislation, which created an inspectorate. The function of this inspectorate has been fully decentralized to allow it to deal effectively with all aspects of employer delinquency. It is empowered to prosecute employers (a) who fail to remit contributions when they are due, (b) who fail to register their employees with the Fund and (c) who cannot provide identification particulars for their employees.

Despite the efforts of the inspectors, compliance problems persist. Additional efforts to improve the situation by means of public relations and staff training programmes on law and elements of prosecution. Employer seminars are conducted also. Regular radio programmes in the main languages disseminate information throughout the country.

The value of the investments in the Fund was estimated to be 472 million kwachas (about $US 189 million) on 31 December 1984. 53/ The money is invested in government bonds, loans for parastatal organizations, real estate and private sector enterprises. A small amount has been channeled through commercial banks for re-lending.

3. United Kingdom: maximizing pension choice 54/, 55/

Many countries have chosen a two-tier approach to social insurance. The first tier is typically a flat-rate pension paid on the basis of age. The second tier is a variable pension with the amount related to the level of past earnings and sometimes to the length of the working period. Usually both tiers are government programmes financed by some combination of general revenue and payroll taxes.

In the United Kingdom a non-means-tested, flat-rate retirement pension, known as National Insurance, was established by the 1946 National Insurance Act. The pension scheme was based on the principle of universality promoted in the influential Report on Social Insurance and Allied Services, written by Sir William Beveridge in 1942. However, the low level of benefits paid by

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*The statutory contributions are subject to a ceiling prescribed from time to time by the Minister.

National Insurance and the low coverage provided by supplemental occupational pensions led to calls for a State earnings-related pension scheme.

After much debate, a graduated pension scheme was enacted in 1959. This scheme was modified in a significant way in 1975, when the State Earnings Related Pension Scheme (SERPS) was introduced. SERPS provides benefits related to the earnings history of an individual worker. In modified form, it continues to operate in the United Kingdom up to the present.

All residents with a full employment record are eligible to participate in the two national schemes. Coverage is optional, however, for (a) employed persons who earn less than the minimum weekly income level, (b) self-employed persons who have been exempted from the payment of compulsory contributions and (c) non-employed persons. Old-age, dependant, invalidity and survivor benefits are paid to eligible individuals. Benefits are financed by employee taxes of 5-9 per cent (1989) of earnings, according to the employee's wage bracket; contributions from self-employed people; employer taxes of 5-10.45 per cent, according to employee wage brackets; and general government revenues.

The second tier, the earnings-related pension, may be contracted out. That is, an employer may choose to provide benefits by means of a private mechanism that pays benefits that equal or exceed those provided under social insurance. However, the responsibility for adjusting benefits to reflect price changes, i.e. indexation, is still assumed by the Government, as it is in the public schemes.

Recently the Government introduced additional choice in the provision of pensions. Starting in July 1988, individuals were permitted to contract out of SERPS or an occupational scheme by setting up a personal pension plan. These personal plans must be carried out in one of three ways: (a) the purchase of an insurance policy or annuity contract, (b) the establishment of a unit trust or (c) the deposit of money into a bank or building society. By the middle of 1989, about 3.5 million individuals had applied for personal pension plans.*

Thus, pension policy in the United Kingdom allows a greater range of private choice as to how the benefits will be provided than in most other countries. However, companies and individuals who elect to contract out of the Government's earnings-related scheme are electing to take on much greater administrative and investment responsibility. They are also electing to take on much greater risk. Pension analyst A. B. Atkinson states his concerns about the most recent innovation, personal pensions, as follows:

> "For people who have opted to follow this route [personal pensions] the only guaranteed pension is the basic NI [National Insurance] pension. With personal pensions, as with defined contribution occupation schemes, there is no guaranteed pension at retirement ... There must be concern about those who are unlucky in their choice of investments: there is no redistribution between

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*This coverage estimate includes the self-employed, as well as employees opting out of SERPS. The new personal plans replace the earlier provisions allowing the self-employed to take out retirement annuities.